

For the Proprietors of
HONGKONG TELEGRAPH,
For and on behalf of
SOUTH CHINA MORNING POST, LTD.

Y. H. H. H.
Printer and Publisher

The Hongkong Telegraph.

TO-DAY
ONLY**QUEEN'S**At 2.30, 5.15,
7.15 & 9.15 p.m.Henry Linda Victor
FONDA DARNELL MATURE
JOHN FORD'S**"MY DARLING CLEMENTINE"**

with Walter BRENNAN • Ward BOND

A 20th Century-Fox Picture

- TO-MORROW - BY POPULAR DEMAND!

**CENTRAL**
DAILY AT 2:30 5:15 7:15 & 9:15 P.M.**ALHAMBRA**
DAILY AT 2:30 5:20 7:20 & 9:20 P.M.

SHOWING TO-DAY

Everybody's humming these Hit-Parade Hum-Dingers... "Janie" and "Keep Your Powder Dry"
JOHN REYNOLDS ROBERT HUTTON EDWARD ARNO EDWARD ALAN
REYNOLDS HUTTON ARNO EDWARD ALAN
DIRECTED BY MICHAEL CURTIZ**ORIENTAL**COMMENCING TO-DAY: 2.30-5.20-7.20-9.20 P.M.
MIGHTY CAVALCADE OF COURAGE!... From the adventure-dipped pen of the master story-teller!

Next Change: "THE CANTERVILLE GHOST"

**HONGKONG
WAR MEMORIAL FUND**

The subscription list is now open. Please send your contribution to

MESSRS. LOWE, BINGHAM & MATTHEWS,Hon. Treasurers, Mercantile Bank Building
Cheques should be payable to "The Hong Kong War Memorial Fund" and should be crossed.

For the purpose of acknowledgment, all subscribers who have Chinese names are requested to give those names in Chinese characters as well as in English.

PLEASE GIVE GENEROUSLY.**Two million German 'spivs' (and the farmers) are bilking Britain**
The Greed of Frau Koch

HAMBURG. FRAU IRMGARD KOCH, wife of a German farmer at Fehrenbostel in the heart of the Schleswig-Holstein dairy-farming land, sat contented in her plush parlour and said: "Ach, yes. We get along all right—we have enough meat, bread, potatoes, eggs and milk."

Frau Koch, her husband, explained: "After all, we are on a farm, you know."

Then Frau Koch complained: "But there is not enough variety in our food. The children don't get any bananas or oranges, and there is not enough chocolate either." But Adolf, three, and Hanna, five, hanging round her knees, seemed as chubby as any British mother would want her children to be.

Irmgard and Franz Koch were typical of the German farming people I have met in ten days in a 1,000-mile trip through the green grain-lands and over-stocked cattle pastures of Northern Germany. One thousand miles in a quest to solve the mystery of the missing German food, and why the British taxpayer is having to go on paying something like £100,000,000 a year—much of it in dollars—to feed his former enemies.



That is a jibe at selfishness of the farmers and at the rich Hamburgers who exchange their remaining trinkets and valuables for the farmers' food which does not get into the general pool.

The poorer people in Hamburg go foraging on the farms too. At Schüssel, 30 miles from Hamburg, I saw a group of women sitting on sacks of potatoes waiting for a lorry to take them back to Hamburg with their "loot." They pay for their passage with a few potatoes. They give the farmer their cigarette ration.

'Stolen'

FARMER Johann Berkmann, of Scharckendorf, gave me a clue to how the farmers get away with this black market dealing.

Taxed by the British for not having delivered up his quota of livestock to the butcher, Johann pleaded: "But they were stolen—two cows, a calf, a foal, three pigs and several hens."

Do not care

THE Kochs and their like have their farms, their cows and pigs and hens, and even the luxuries of turkeys, geese and pigeons. They are well fed and prosperous and they could not care less what happens to their fellow Germans in the hungry cities of Hamburg and the Ruhr.

These German country people are living a life of comparative plenty in the countryside physically untouched by war, against the backdrop of the ruin, rubble and misery of the German towns and cities.

"Nuttie" Hazel, of Monmouthshire ("I've bin a farmer for nearly 40 years myself")—who is now a British food officer in the British zone, waved his hand round the green fields and the fat pedigree stock of Koch's farm and stuttered: "Starving? These people don't even know what is being hungry."

He stirred some oats in the farmyard with his foot. "There you are, that is what we are up against. Fine oats thrown in the dust to feed pigs because pigs pay better on the black market."

But down in Hamburg, with its 1,500,000 people living in its ruins, they are saying bitterly: "The cows of the country have pearl necklaces and sleep on Persian rugs."

British experts estimate that in the past six months more than 2,000,000 pigs have been "stolen"—and found their way on to the black market or into the farmers' pots. And that is quite a lot of pigs.

The British tell the same story of all other foods. In my ten days my general impressions are quite definite. I am convinced:—

THAT the over-all German food ration could be increased by 300 to 500 calories a day—even over the official ration of 1,550 calories daily—if the German farmers were honest.

THAT one-third of the 23,000,000 Germans in our zone live as well as their opposite numbers in Britain, while the other two-thirds go hungry.

THAT the German authorities now in charge of food distribution are taking no drastic steps to get the food, or to stamp out the black market.

THAT the Germans will do nothing to help themselves so long as we are prepared to go on feeding them—they are quite ready to let us pay for this.

The answer is that nobody trusts the German mark currency, and the farmer cannot get anything with this money.

He wants consumer goods—machinery, coffee, sugar, cigarettes and such things—which he can only get on the black market.

He thinks he can blackmail Britain into feeding the hungry urban Germans by not handing over his produce.

But there are other factors in this mystery of why the British taxpayer cannot see any silver lining in the German cloud.

Idle masses

THERE are about 200,000 people living unregistered in Hamburg alone—without ration and with no job. It is estimated that there are about 2,000,000 of these characters in the British zone—2,000,000 German spivs living on their wits, the black market and indirectly, on the British taxpayer.

And now that the Germans are taking over executive control more and more, there are too few British to check all this activity—only 100 men, for instance, to inspect close on half a million farms.

The official British story is that we must teach the Germans to run their country—but we are doing it at our expense.

Now what are the remedies?

1. ASSESS just how much food the Germans can produce, allow a generous margin of error, import what is lacking to bring their rations up to 1,550 calories daily—and hand the lot over to the Germans and say: "You won't get any more."

2. "SCREW the quota of foodstuffs the farmer has to hand over up to the very limit. It is now too low."

3. START a propaganda campaign to tell the Germans what they can do and what we are doing for them. At the moment they do not know and are not grateful anyway.

If we can do that, I believe that the Kochs and their kind would get less cake, but the millions of hungry people elsewhere in Germany would get more bread.

And the British taxpayer would have some hopes of relief.

**BY THE WAY,
by Beachcomber**

SUET'S four-way registration, back and forth, up and down, is causing immense excitement in Government circles and in the business world.

A prominent spokesman said yesterday: "It may introduce a new dimension into the whole business of multiple registration. When once you have grasped the principle of back and forth, up and down, it is simplicity itself. The actual working of the system is a clerical affair, and the shuffling of multiple registration, and the exchanging of registration forms, is imposed by keeping what you get, even in duplicate, instead of 'signifying a continual movement of registration papers.'"

How it works

LECTURING to representative of business firms yesterday, Suet said: "You begin with four identical registration forms for a given licence or permit, as the unit of multiple registration. Two are kept and two issued. The two kept have been issued are kept until the other two are sent, and as soon as they are received the first two are returned for checking and filing. No copies are made, but when the first two are again sent out, the other two come back, one marked 'Up,' the

other 'Down,' to distinguish them, and to indicate that the up and down process has now superseded the back and forth process. When all four are back where they started from, they are again issued in twos, but in such a way that the applicant never has all four at one time. The registrations are made from the first two to come back, unless the other two have overlapped."

Dr. Rhubarb's corner

M. V. writes: My niece, Mrs. Vomp, the other day got each one of the toes of her left foot stuck in between the prongs of our old toasting fork. To get them out we had to bend the prongs, and while we were doing it, she said: "I might as well be playing the harp with my foot." Seeing the resemblance of the fork, with its prongs, to the wires of a harp only less thick, we thought this very courageous and witty. Would you care to publish it?

Dr. Rhubarb replies: What is not quite clear is why your niece did this odd thing. I presume she was not wearing stockings?

M. V. writes: She had removed them, to warm her toes.

Oil on troubled Waters

Waters said that the lamp burst and the oil splashed him. (News item.)

London is really much like ChicagoBy
LEO A. LERNER

Editor of the Lincoln-Belmont Booster, the Uptown News, the Portage Park Times and 20 other newspapers in and around Chicago, who has been visiting Britain.

I AM telling Chicago that London is very much like home. Both cities are suffering from an acute housing shortage. The people of both cities are fighting the high cost of living.

Each city has a rebuilding and beautification programme. London—because Hitler was overhead for a few years, and Chicago because it has a dynamic new mayor, the Independent Democrat Martin H. Kennelly.

Chicago is on the verge of completing the turnover of surface transport to municipal ownership; Chicagoans are therefore keen on my reports concerning passage of the Transport Bill by the House of Commons.

Chicagoans, however, will be astonished to hear that the Inter-city lorries are included in the public ownership programme. In the U.S. the lorry companies are deep-rooted private enterprise, as are the railroads.

About shopping

Although London has the "advantage" of Chicago in slum clearance—because of doodlebugs, rockets and incendiaries—I am advising Chicagoans not to be too envious of the Londoners.

I am telling them about cigarettes at 68 cents a package (they pay a quarter of that) and about the British ration of 10 cents' worth of meat per person per week.

My own view is that the pound sterling is more depressed than the dollar, although I have no official figures. Of everyday needs, only newspapers and a few price-controlled food items are cheaper in London. Cigarettes, drinks, petrol—all these things I classify as necessities, because they are in the habit patterns of the people—are much higher-priced in Britain.

Clothing comes higher in Britain, too, and it is impossible to determine

how much inflation of the pound sterling is due to the black market. Milk is dearer in England, and of poor quality.

The black market is practically gone in America, except for the motor-car business. There, they still hire midgeets to do their business under the table. Good cars, like Buicks (£395-£528) and Chryslers (£418-£725) sell for about 25 percent above list price.

The camera of a weekly picture journal in the States caught a fleet of new cars hidden out on the quiet estate of a motor dealer. Publication of the photo created some small, believe me!

About housing

I am telling Chicago war veterans that their housing problems and home-hunting experiences are the same as in London. In Chicago they are paying illegal premiums, too, and being forced to buy furniture in what we call "stuffed" flats.

In Chicago our advertisements offer the public food, clothing and household furniture; in London the newspapers' ads, and billboards are selling "Work or Want." I have taken a photo of the "Work or Want" posters and sent it home to America.

It seems curious to me that Britain is advertising for more British grit, the kind that Hitler brought out. I am asking if there is any grit left, and, if there is, whether you can get it out by advertising for it.

I am telling them about Dr. Franklin D. Roosevelt's advice: "Grow food, don't vote about the Dunkirk spirit." He says Britain is dying from starvation, because active men and women must have at least 400 to 500 more calories a day than you are getting. Just before I left the States I heard an economist say that people who don't get enough calories are sleepy all the time. They want to stay in bed. This means that food is the first problem in Britain's battle to produce the grit (or energy) that produces the goods.

I am telling Chicago about the swell job being done by the London newspapers on only four or six pages a day. The British public gets all the news and features, although the largest advertisement you see is no bigger than your hand. In the States one store will often run eight full pages of advertising. An American newspaper often weighs five pounds.

One thing that hits me hard in London is the lack of opportunity for young people to start businesses. People who were in business during the war are thus afforded protection against competition, which may not be a good thing.

In the States we find you get the most production when you encourage rivals to compete. They find new ways to get things done.

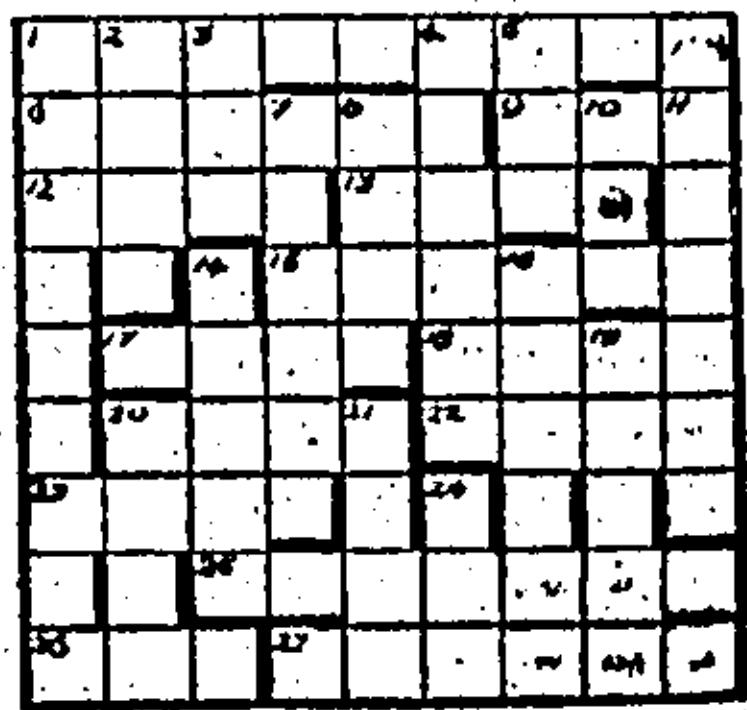
About dignity

I am telling Chicago of my visit to "Parliament on the night the Transport Bill was passed in the House of Commons, and the shouting and cat-calling that went on. Congress has more dignity.

I am telling them of seeing the German prisoners of war, healthy and bored, working on English roads, and of seeing the Polish soldiers reclining in their camps.

I am telling them about my four of the East End of London, bomb damage, in which whole neighbourhoods were wiped out.

I am describing for them my visit to Coventry, and the big bold sign on the Church of the Holy Trinity which reads: "Stand fast to the Faith. Quit ye like men. Be strong!"

CROSSWORD PUZZLE

man. (4) 20. Arranged. (4)
22. The bad man of the fairy tale. (4)
23. More than the cry of a sheep a false god. (4) 25. English. (7)
27. Part of himself in fairyland. (7)
28. They bring fortune to a lucky few. (6)

Down:
1. A large tree (saw). (8)
2. Foray. (4)
3. May Don't play for this Russian. (8)
4. Make by looping thread. (8)
5. Joyous. (6)
6. Precocious John to Mark. (4)
7. Broken ore. (5)
8. See 3 across.
9. He comes from sails. (5)
10. Piece of wood placed on the eye of a nautical rope. (5)
11. Deck of a ship. (5)
12. Summon. (4) 21. Attract. (4)
24. It's retreating. (5)

Across:
1 and 11. You are said to be improving when you have taken this turn. (6 & 9)
2. It is a pest to cattle. (8)
3. The band in the parchment. (9)
4. Lured a fine chase. (9)
5. Precipitation. (4)
6. He was blind, but not for crying. (5)
7. Bird or toy? (4)
8. Such light is nothing to a bootle.

Solution of yesterday's puzzle: Across: 1. Maternity; 2. Fencer; 3. Baby; 4. Baby; 5. Baby; 6. Baby; 7. Baby; 8. Baby; 9. Baby; 10. Baby; 11. Baby; 12. Baby; 13. Baby; 14. Baby; 15. Baby; 16. Baby; 17. Baby; 18. Baby; 19. Baby; 20. Baby; 21. Baby; 22. Baby; 23. Baby; 24. Baby; 25. Baby; 26. Baby; 27. Baby; 28. Baby; 29. Baby; 30. Baby; 31. Baby; 32. Baby; 33. Baby; 34. Baby; 35. Baby; 36. Baby; 37. Baby; 38. Baby; 39. Baby; 40. Baby; 41. Baby; 42. Baby; 43. Baby; 44. Baby; 45. Baby; 46. Baby; 47. Baby; 48. Baby; 49. Baby; 50. Baby; 51. Baby; 52. Baby; 53. Baby; 54. Baby; 55. Baby; 56. Baby; 57. Baby; 58. Baby; 59. Baby; 60. Baby; 61. Baby; 62. Baby; 63. Baby; 64. Baby; 65. Baby; 66. Baby; 67. Baby; 68. Baby; 69. Baby; 70. Baby; 71. Baby; 72. Baby; 73. Baby; 74. Baby; 75. Baby; 76. Baby; 77. Baby; 78. Baby; 79. Baby; 80. Baby; 81. Baby; 82. Baby; 83. Baby; 84. Baby; 85. Baby; 86. Baby; 87. Baby; 88. Baby; 89. Baby; 90. Baby; 91. Baby; 92. Baby; 93. Baby; 94. Baby; 95. Baby; 96. 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Women

This Space Every Day

BEAUTY ARTS

By LOIS LEEDS



Posed by Joan Caulfield for Lois Leeds.

Why have drab skin? Lois Leeds tells you how to change it.

"DEAR LOIS LEEDS"

"Dear Lois Leeds—Is cream rouge to be used on oily skins? My skin has rather a coarse texture."

—NAN.

Cream rouge is best for the dry skin. First, you should carry out a programme to refine the texture of your skin. Use a soap which is not too strong, and stimulating with an astringent. Choose a liquid lotion as a powder base. Apply your face powder, then dry compact-rouge. Now dust on a little more powder to blend the rouge.

"Dear Lois Leeds—Is it proper to travel in a slack suit? I am going from West Virginia to California. I am seventeen years old and slender."

—T. T.

Yes, a slack suit is smart. You will need a topcoat and the proper sport-type shoes with low heels.

"Dear Lois Leeds—My nails are so brittle. What can I do? MRS. S."

—LOLA.

Minute Makeup

by GABRIELLE



Never use old, slightly-sold powder puffs! Never apply makeup over a soiled face. Never use rouge of one shade and lipstick of another. Always use cleansing cream on a dry skin. Don't forget that your makeup belongs only to you. Don't lend your powder puff and lipstick, not even to your "dearest friend"! Don't forget to include your neck when you powder your face.

Chinese Play In London Park

The Chinese Ambassador, Dr. Cheng Tien-hsi, and Mme Cheng honoured the staging of "Lady Precious Stream" at Regent's Park open air theatre last week by taking a party to the first performance.

The play is not making its debut in Britain as it has already won laurels in the country. Consequently, many of the players are not strangers to the parts they are filling. One at least, has not only interpreted the character in Britain, but also in America.

"Lady Precious Stream" heroine is a 10-year-old actress who stepped straight from dramatic school into Shakespearean leads this summer. She is Christine Pollan, a Welsh girl. Her father tried to dissuade her from the stage, for he wanted her to be a commercial artist. Having now seen her acting, he no longer feels disappointed that his plans for her were not realised.

The costumes are those used in the first staging of the play in Britain. They were specially obtained from China for the purpose by the author, Mr Si Hsiung.

Calls Germany Key To Recovery In Europe

A sound solution of the problem of Germany would make Europe's economy much easier, according to a study just made public by the Institute of International Finance of New York University.

The report, "Economic Conditions in Europe," was made public by Dean John T. Madden, Institute Director.

BREATHING STOPPED TO CURE TB

Dr Alavan L. Barach of New York is curing some persons of tuberculosis by making them stop breathing 10 hours a day for four months.

Patients give up all voluntary breathing during this treatment. Their lungs and chest don't move. They do not die because a kind of iron lung does motionless breathing for them. The complete rest helps the infected lungs recover. The patients relax completely.

Dr Barach, of Columbia University College of Physicians and Surgeons, reports results of 10 years' experience with non-breathing treatment on 14 patients in Annals of Internal Medicine, published by the American College of Physicians.

Equal Air Pressure

Seven of the 14 recovered completely, and the majority have remained well, since, he said. Two showed marked improvement, three slight to moderate benefits, he added. In the other two, there was no decrease in the size of the lung cavities caused by tuberculosis germs.

Dr Barach uses a pressure chamber which differs from the usual kind of iron lung. Ordinary room air is forced in and sucked out of the chamber 25 times a minute. But the chamber is so designed that the air pressure both inside and outside the chest remains exactly the same, and the chest and lungs remain motionless, he explained.

The equalisation of pressure is accomplished by a collar arrangement separating the head from the rest of the chamber.

The incoming air first enters the patient's nose and other passages to the lungs. These passages slow it down and reduces the pressure of the air entering the rest of the chamber to exert its force on the outside of the chest.—Associated Press.

If Europe is to be rehabilitated, a "certain amount" of industry must be restored in Germany, the report said. Yet it took note of the danger that if Germany were permitted to re-erect great industrial plants, it then could utilize the country's natural resources and technical skill for rearmament and wage war.

The younger generation (in Germany) is still imbued with the spirit of Nazism and with all the doctrines preached by it," the study said.

It added: "Political unrest which deters initiative and prevents an inflow of foreign capital" exists throughout Europe. The result is "unwillingness to start new enterprises, a feeling of despair, and a desire to emigrate."

The general problems affecting Europe's economy which must be met were described by the Institute as follows:

1. Shortage of labour. Many men workers are still in armed service or engaged in the production of war materials. The number of women workers is declining.

2. Controls Criticised

"Government controls" keep thousands of men and women in non-productive work. Additional thousands must work to produce war materials which it was formerly possible to import from abroad.

3. A shortage of fuel, due (a) to the low output of the Ruhr basin, (b) the decline of Great Britain's production, (c) diversion of Upper Silesian coal to new markets, (d) lack of manpower, and (e) worn-out equipment.

4. Disruption of international trade and collapse of German industry.

5. Nationalisation of "important segments of industry" and in some countries "the splitting up of large firms." These acts are "adversely affecting at least in the transitional period the output of manufactured goods and of agricultural products."

6. The burden of heavy national debt, and increase in cost of living.

7. Britain's Conditions Analysed

Great Britain's specific problems were discussed as a part of and contributory to the general conditions in Europe. These British difficulties were generalised as follows:

1. A need for a tremendous upturn in exports in order to decrease the nation's indebtedness and maintain the standard of living.

2. A modernisation of its industrial plant.

3. A streamlining of its trade-unions rules, which are "antiquated." These rules were set up when large-scale unemployment existed, but they hamper economic reconstruction.

4. Increase in Building

Like the mines, the building trade is getting more than its fair share of recruits, and it hopes to announce soon a great increase in the number of houses built or building.

I understand that the necessary expansion of the building manpower has now been achieved and the Government has been requested by the builders to end the training scheme as soon as possible. It is estimated that by the end of September more than 20,000 men extra will have been trained for building.

Builders may soon have another incentive to speed up the housing programme in the form of Government approval of a scheme enabling contractors to pay bonuses on results achieved. I drew attention some time ago to the remarkable results obtained by an individual builder who had paid bonuses to his men.

It seems that this was illegal under a Defence Regulation, but I hear that the position may be reviewed. After all, builders, like other people, are entitled to a reward for good work.

Children's Cinema Clubs

One of the most striking successes in the film world has been the phenomenal success of the Children's Cinema Club, which has branches now in almost every city in Britain.

I am told that programmes in many cases are better even than some of the West End adult shows. The children have their own ushers, the same seat at each performance, and their own monitors to supervise.

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FED UP WITH HIS WIFE

Paul, Greenburgh, 37-year-old Liverpool, charged with kidnapping a 17-year-old girl and living with her for a year, told the court: "I cannot offer any explanation except she is a very pretty girl and I was fed up with my wife."—United Press.

Tenderly, Yet Tenderly

A 20-year-old Dutch girl, Gertrude Debarer of Kerbrode, Holland, who for a year has been tending the grave of an American soldier whom she never knew, arrived last week in the United States for a three-month stay with the soldier's parents, Mr and Mrs Allen Rucker of Lexington, Massachusetts, who met her when the boat docked.

Rucker, who is a business consultant, said Gertrude was a "better diplomat than men with portfolios. She is so friendly and considerate that she makes us feel that the Dutch people are our neighbours."

Mrs Rucker said: "She is our little girl. She adopted our son Allen's grave on Memorial Day in 1946 and has bicycled 18 miles every two weeks to decorate it since. She found our address on the back of the cross on the grave and wrote us about it."

The Ruckers plan to take Gertrude to their home at Lexington, then later back to New York for shopping and to Washington and in New England for sightseeing. On her birthday, August 11, they plan to go to Montreal.

Rucker's son, Allen Rucker Jr., 20, was killed in action at Mulhausen on April 7, 1945 while with the 6th Armoured Division in General Patton's 3rd Army.—United Press.

Service Writers Win Awards

Four British and two American servicemen have won awards of £250 each in a Services hook competition.

The British winners are Major R. E. Sculler, Squadron Leader David Evans, Flight Lieutenant Eward Johnson and Sergeant Instructor William Howard Jones.

The contest was organised by George Harradine and Co., Ltd., in collaboration with the Thomas Y. Crowell Coy. of New York and the Columbia Film Company. Its object was to bring to light literary talent that might be lying dormant in the Allied Services, and the competition was open to any man or woman serving now or who had served in the Armed Forces or Merchant Navies of the United Nations since September 1, 1939. No less than 892 manuscripts were submitted, 410 from British personnel.

The prize was to be £2,500, with another £500 for an option on the film rights, but the sponsor decided that, despite many praiseworthy efforts, no single entry was of sufficient merit to gain the award. Consequently, the sum was divided among six authors who submitted the most promising material.

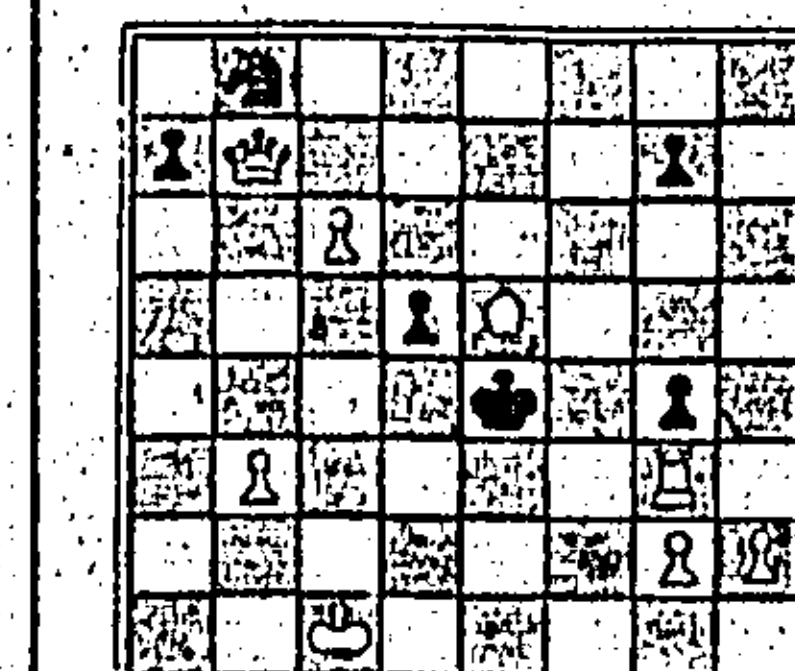
Key To The Problem

BERNE.—Two keys guard a treasure of almost £500,000 deep in the vaults of the Swiss National Bank in Berne. It is the gold reserve of the Hungarian Government, and one key given to ex-minister Gordon in Berne, a member of the Smallholders' Party, and the other to Joseph Szal, secretary of the Legation and member of the Hungarian Communist Party.

Now, the new Hungarian Government has ordered the transfer of the gold back to Hungary. Szal, acting in Berne for the new Government, has demanded the second key from Gordon. Gordon refuses to hand his over and asks for Szal's key in the name of the legitimate Hungarian Government of Ferenc Nagy. He declares that he will give the key only to the Prime Minister of a truly democratic Hungarian Government.

CHESS PROBLEM

By J. FOSFISIL
Black, 6 pieces



White, 8 pieces

White to play and mate in three.

Solution to yesterday's problem:

1. Qxh5; 2. R. or K. (dis ch. or dbl ch) mate.

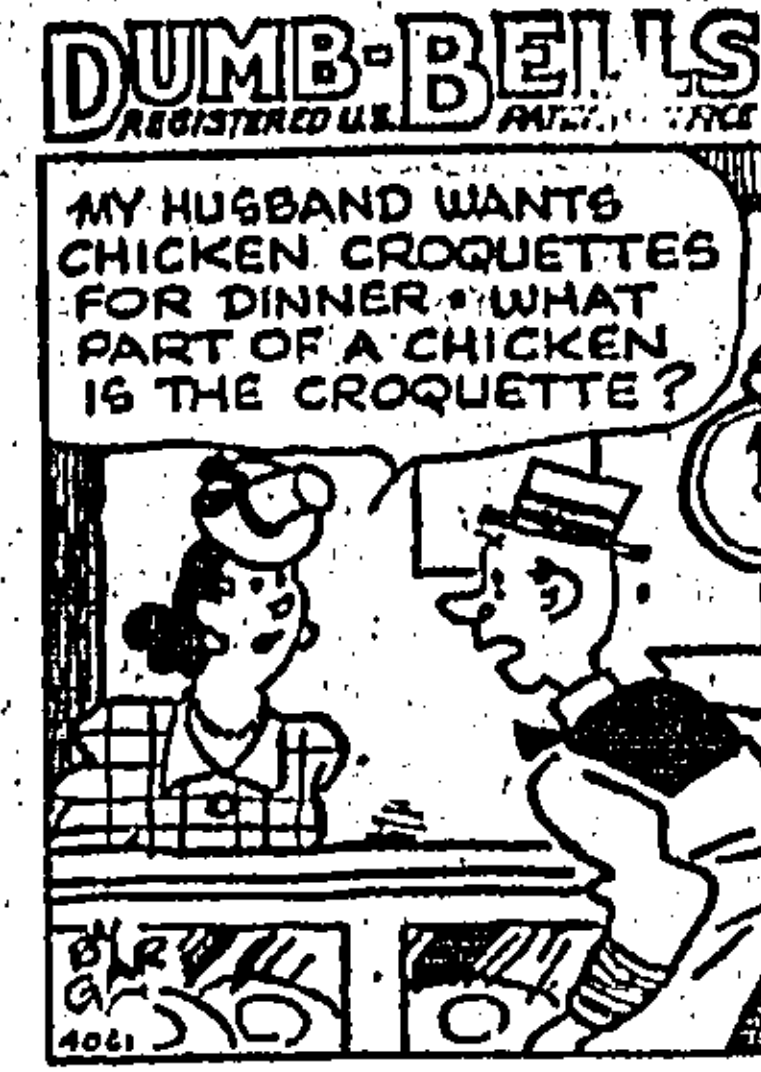
Rupert and the Young Imp—12



On the way to his cottage Billy Goat pours out his troubles to Rupert. "I've a lot to do," he says. "My old granma is ill again and she's feeling very sad because none of the flowers she planted in that window-box has come up. I don't know how to cheer her up. Would you like to come and talk to her for me? We have so few visitors."

"Why yes, of course," says Rupert. "I'll tell her the story of what happened in our old apple tree."

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LONDON LETTER:

Morrison Becomes Cheerful

By John Shipton

Bang the drum, sound the bugles, clash the cymbals and tell the world that the people of Britain are getting the bit between their teeth and staging a real recovery, despite everything the politicians and the pessimists may say. What are the grounds for this optimism? Well, after suffering the worst fuel crisis ever, it seems that prosperity is only just round the corner.

The corner may be twelve months ahead, but at the present production rate the goal will certainly be reached. When Mr Herbert Morrison, the "Work or Want" Lord President of the Council, starts to be cheerful, then things must certainly be looking up.

But let Mr Morrison take up the story! He says that in seven weeks we have accumulated 2,500,000 tons of coal towards the 5,000,000 tons needed to bring our stockpile up to 15,000,000 tons by October—and there are still nearly four months to go.

On steel, the Lord President said it was hoped to give sufficient fuel supplies to push up production to a rate well over 18,000,000 ingot tons—300,000 tons more than the 1946 average.

The drive for women in industry, too, has brought about another big improvement in the manpower situation. More than 10,000 women have returned to industry, and the number of unemployed—most of them unemployed or in transit—has fallen by nearly 100,000, making the total working population for Britain 20,210,000, an increase of 175,000.

Figures may be boring, but I must tell you that the number of people employed in manufacturing goods for home consumption and for export totals 7,034,000—more than 3,000,000 more than mid 1945. So it seems that men and women returning from the Services have been more than well absorbed.

Increase in Building

Like the mines, the building trade is getting more than its fair share of recruits, and it hopes to announce soon a great increase in the number of houses built or building.

I understand that the necessary expansion of the building manpower has now been achieved and the Government has been requested by the builders to end the training scheme as soon as possible. It is estimated that by the end of September more than 20,000 men extra will have been trained for building.

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XAVIER CUGAT and Orchestra

DIRECTED BY ROBERT Z. LEONARD

PRODUCED BY ARTHUR HORNBLOW, JR.

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RAY MILLAND JANE WYMAN

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RALPH BELLAMY

CONSTANCE MOORE

MORTON GOULD

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SIDE GLANCES By Galbraith



"Pop's always suspicious when I tell him I'm going to the library—was he a little bit wild when he was young?"

SECRET ATOM BOMB TEST

Paris, July 7.
The Paris newspaper, L'Intransigeant said tonight that it had learned from "political and military circles possessing special information" that a new atomic bomb experiment had recently been conducted in New Mexico.
The paper said a bomb of the latest model blew a hole in the earth 900 metres deep and 15 kilometres in diameter, and completely destroyed buildings of various types which the United States Army had erected for the experiment.
—United Press.

TRUMAN'S APPEAL FOR DP'S

Washington, July 7.
President Truman today urged Congress to act as speedily as possible on the legislation to admit a "substantial number" of Europe's displaced persons into the United States.
He did not give any figures nor did he specifically support any of the various immigration bills which are now making little or no progress in Congress. He insisted, however, that "it is unthinkable that these people should be left indefinitely in a camp in Europe."
"We cannot turn them out of Germany into a community of the very people who have persecuted them," Mr. Truman said. "Moreover, Germany's economy is so devastated by war and so badly overcrowded with the return of people of German origin from neighbouring countries that it is approaching an economic suffocation which, in itself, is one of our major problems."
"Turning these displaced persons into such chaos would be disastrous for them and could seriously aggravate our problems there."

Special Legislation
"This Government has been firm in resisting any proposal to send these people back to their former homes by force, when it is evident that their unwillingness to return is based on political considerations or fear of persecution."
"Already certain countries of Western Europe and Latin America have opened their doors to substantial numbers of them. Plans for making homes for more of them in other countries are under consideration. But our plain duty requires that we join other nations in solving this tragic problem."
President Truman pointed out that the present statutory immigration quotas were inadequate and that special legislation was needed. "I wish to emphasize that there is no proposal for a general revision of our immigration policy as now enunciated," he said. "There is no proposal to waive or lower our present prescribed standards for testing fitness for admission of every immigrant."
—Reuter.

Indian Sterling Balances

London, July 7.
The Anglo-Indian sterling discussions about to take place in London are designed to make interim arrangements for the period immediately following July 15, when, under the Anglo-American loan agreement, all spendable sterling becomes convertible into any currency. Mr. Glenvil Hall, Financial Secretary to the Treasury, told the House of Commons today.
He was replying to Mr. Thomas Reid, a Labour Member, who had asked what arrangements were made about India drawing on her sterling balances in the immediate future.
Mr. Glenvil Hall said that the opening of preliminary negotiations had been prevented by the present preoccupation of the Ministers in connection with the transfer of power. The most accurate figures published, he added, showed India's sterling balances as £1,178,000,000.
—Reuter.

Hawaii Pineapple Strike Brewing

San Francisco, July 7.
Harry Bridges, CIO Longshoremen's Union leader, said today he would try to Honolulu to "sit in on" the negotiations to avert a threatened strike in the multi-million dollar Hawaiian pineapple industry.
Bridges is expected to take part in discussions with the pineapple industry leaders and Nathan Feinsinger, special Department of Labour representative now en route to the islands.
Seven thousand International Longshoremen's and Warehousemen's Union workers have "postponed" their walkout to enforce wages demands until Feinsinger's arrival.
—United Press.

HUNGER STRIKE

Nicosia, July 7.
The 24-hour hunger strike of 11,000 illegal immigrants in Cyprus at present detained in this Cyprus town was today observed today. Children took part.
The strike is a protest against the conditions in the camps.
—Reuter.

Note Of Desperation In Chiang's Latest Appeal To Nation

New York, July 7.
The New York Times, commenting editorially on the Manchurian situation, said today that a note approaching to desperation seemed to underline President Chiang Kai-shek's latest appeal to his people; and said the threat to Manchuria was by no means lifted despite the government victory at Szepegkaj.

PACIFIC IS. TRUSTEESHIP APPROVED

Washington, July 7.
The Senate Foreign Relations Committee today unanimously approved the United Nations agreement giving the United States sole trusteeship over former Japanese- mandated islands in the Pacific.
The approval came swiftly after General George Marshall, Robert Patterson, Secretary of War, James Forrestal, Secretary of the Navy, Gen. Dwight Eisenhower, Chief of Staff, and Adm. Chester Nimitz, Chief of Naval Operations, urged approval of the agreement.
The Committee chairman, Senator Arthur H. Vandenberg, told reporters that he considered ratification of the agreement a "must" for Congress before it adjourns late this month. He said all five witnesses "without reservation testified that the agreement should be approved and that the interest of national security of the United States is completely protected under the terms of the agreement."
Vandenberg said he hoped to place the resolution before the Senate quickly. House approval is also necessary. He said the agreement is not being handled as a treaty because the full Congress is responsible for national security. A treaty would require only the Senate approval.
—United Press.

Beer Protest In Commons

London, July 7.
A protest against imports from Europe of beer manufactured from grain exported or diverted to European countries was made in the House of Commons today by a Conservative member, Mr. E. A. Legge-Bourke.

Dr Edith Summerskill, Parliamentary Secretary to the Ministry of Food, answering Mr Legge-Bourke's questions, said that since May 21, import licences had been issued for 41,200 bulk barrels of beer of 36 gallons from European countries.

The beer came from Holland, Denmark and Czechoslovakia. Further applications covering 38,000 bulk barrels were expected from these countries, and another 9,000 barrels from Belgium, Luxembourg, Switzerland and Germany. The German application had not been answered yet. It involved only 28 barrels.

Dr Summerskill refused to give any indication as to import licences would be granted for beer made from grain diverted to European countries. She said the grain was allocated by the International Emergency Food Council and it was up to each country what it did with its grain.
—Reuter.

International Horse Show

London, July 7.
Italy took the honour in the first section of the international contest for amateur and officer riders at the International Horse Show at the White City stadium today.

This was the first postwar International Show and the first to be held in the open air.
Italy took the first two places, Uralho, exhibited by the Frelle-Excent stable and ridden by Count Caviglio, sharing first place, with Encomiella, exhibited by the Italian Government and ridden by Colonel Conforti, each with four faults.

They tied again in the jump off, but at the third attempt Uralho made a clear run, while his rival made 13 faults over the difficult 665-yard course.
Sea Prince, exhibited and ridden by the Belgian, Chevalier de Selliers de Moranville, with seven faults, was third.
—Reuter.

They Want To Work In Malaya

Colombo, July 7.
Nearly 10,000 men swarmed outside Colombo's military headquarters today when recruiting opened for 1,000 jobs in the military police force being formed in Ceylon for service in Malaya.
Another recruiting scheme will begin on July 28 to send 10,000 men to Malaya as a labour force.
—Associated Press.

The editorial said: "A note approaching desperation seems to underline President Chiang Kai-shek's latest effort to rally his people to battle against the Communists."
"The rebels have an unpleasant habit of retreating before superior forces only to strike again at some other point. They seemed to be well equipped both with tanks and artillery, and hurled more shells into Szepegkaj than their own combined armoured can produce."
"Nanking says they are supplied by a 'certain country' which is not difficult to identify. With the Russians firmly entrenched in Korea, Manchuria is at present surrounded by Soviet forces. The struggle for control of the province may just be the beginning."
"The fate of East Asia depends upon who dominates it. What the outcome of such a struggle would be no one can foretell. But Chiang at last seems to be awake to her danger."
—United Press.

The assault on Szepegkaj may have been the crest of the current Communist offensive. If so, the government victory is the more impressive. Yet the threat to Manchuria is by no means lifted.
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—United Press.

EXPEDITION TO ARCTIC

London, July 7.
Britain's first postwar Arctic expedition will leave Newcastle on Wednesday for Aalsund, Norway, en route to Jan Mayen Island, north of Iceland and between Greenland and Norway, where they will try to recover cosmic ray recording instruments left there nearly 10 years ago.

The expedition, under the leadership of A. Marshall, Oxford zoologist, will attempt to climb two peaks—Hakon and Hekloy—at the 6,370-foot-high extinct volcano, Beerenberg, where the instruments were left in 1938.

The expedition will go to Jan Mayen aboard the ship Polar Bear, which will call for them in six to eight weeks' time.

The explorers hope to cross previously-untraversed glaciers and collect animal and bird life. A Gaumont-British film unit will take documentaries.

The party of 12 includes Dr Hume, descendant of the famed explorer and meteorologist, and Dr A. J. T. Dollar of Glasgow.
—United Press.

Czechs To Join In Talks

(Continued from Page 1)
land, Sweden, Norway and Denmark will certainly wish to avoid any political complications if they decide to send representatives to Paris.

Diplomatic observers see Mr Bevin's decision as first and foremost a gesture of courtesy by one of the sponsoring powers to the countries who accept the Anglo-French invitation. It would, it is felt, be a mistake to interpret it as an indication that the conference is intended to deal with matters of high policy.

If, as is hoped, the Committee of Co-operation—steering committee—is brought into existence by July 25, there is every indication that work will be started at once on the collection of data by four sub-committees in an attempt to enable Committee of Co-operation to co-ordinate this information and produce final reports by the end of August.

The British team which will stay in Paris to carry out the work decided upon by the committee, and sub-committees under the leadership of Sir Oliver Franks, will be fairly large; the fact that experts in all essential economic branches are being taken to Paris from the start of the conference is a clear indication that the inviting powers intend to lose no time in getting down to business.

Membership of the Committee of Co-operation, if reports of the British and French ideas are accurate, would include Britain, France, one representative of the Benelux (Belgium, Dutch and Luxembourg Customs Union), one Scandinavian country, one Eastern European country and probably Italy.

Sub-committees will be of considerable size—certainly less than ten to a committee—and it is the election of the committees which is expected to be the first practical task to be tackled.

Whether it will be possible to keep the Paris conference on a strictly economic and non-political plan will, it is believed, depend largely upon two questions:

1. Will any of the eastern European countries besides Czechoslovakia, accept the invitation to Paris?
2. If so, will they ask for specific political conditions before agreeing to participate. In the work of the various proposed committees?
—Reuter.

Indonesian Reply Said Unacceptable To Dutch

Batavia, July 7.
The Indonesian Republican Cabinet met hurriedly in Jogjakarta today, and was reported to have considered drastic revision of its latest note to the Netherlands. Informed sources said the new note was so unfavourable that renewed warfare was a threat.

The Cabinet convened shortly after deputy Prime Minister Setiadjit and A. K. Gani arrived in a special Dutch plane. Dutch sources said that Governor General Van Mook had told Setiadjit that the Indonesian note was unacceptable. Setiadjit thereupon returned to Jogjakarta to attempt to wrest further concessions from the Cabinet.

Qualified Dutch sources said the situation was deteriorating. The official Netherlands response to Sunday's Republican note has not arrived from The Hague.
—Associated Press.

GERMAN NEEDS IN FRESH CAPITAL

Berlin, July 7.
A German economist said today that Germany needed US\$40,000,000,000 in fresh capital over a period of 10 years to boost its living standard to the mediocre levels set by the Potsdam agreement.

BRITAIN'S ECONOMIC PLANNING

London, July 7.
The chief task of Britain's new Economic Planning Board will be to advise the Government on the best use of economic resources for the realisation of long-term planning and for immediate measures against current difficulties. Mr Herbert Morrison, Lord President of the Council, declared in the House of Commons today.

Announcing the composition of the Board which is headed by 40-year-old Sir Edwin Plowden, Mr Morrison said that industrial members representing employers and workers would bring with them wide practical experience and knowledge.

Permanent Secretaries would represent the three Government departments chiefly concerned with trade and industry.

Close co-operation and consultation between Government and industry would be possible under these arrangements, Mr Morrison said, and this co-operation would be in addition to and not instead of the co-operation already established between industry and individual Government departments.

Mr Morrison said that he himself might take the chair occasionally on the new Planning Board.

It was not proposed that the Board should report direct to Parliament. The sooner it started work, he added, the better.

Asked about remuneration for members of the Board, Mr Morrison said there was no question of salaries.
—Reuter.

Recognition Of New Dominions

New Delhi, July 7.
The new United States Ambassador, Dr Henry Grady, told his first Indian press conference today that he had received no instructions from Washington but could see no reason why the two Indian Dominions should not be recognised when they are established.

Grady answered questions from 70 Indian and foreign newsmen, most of which touched on possible United States financial aid for the new Dominions.

The Ambassador said there had been no applications for loans, but expressed the opinion that American industrial leaders and officials were willing to aid Indian industrial growth.

One correspondent asked a domestic question: "There are hundreds of Americans in India who married Indians. What steps have you taken to deliver these girls to the United States?"

The Ambassador said he had not had time to go into the matter.
—United Press.

CALL-OVER FOR ST Leger

(Continued from Page 1)
Business throughout was light and no wagers of any significance were recorded.

Both Pearl Diver and Migolo, first two in the Derby, were taken to small amounts at five to one, and though Blue Train was withdrawn from the Derby because of the firm going, was offered at the same price, there were no supporters for the King's horse.

Sayalrao, the Derby third, and Tudor Minstrel, red-hot favourite failure in that classic, were both at nine to one, though the Minstrel has been taken at the ten's.

Arbor, of France, who backed well in the Epsom race. Originally 20 to one, he closed at 100 to six after a few small wagers.

Cadix, another French horse, was backed at 10 to 6, while Combat and Petticoat, both in the 20's, were the only other horses quoted.
—Reuter.

However, even if such credits were granted, they would place Germany in an impossible political and economic situation, Professor Bruno Gleitze, chief of the Statistical Department of the Soviet zone, told the United Press in an exclusive interview.

Gleitze, who holds four other key positions in the Soviet administration, estimated that German national wealth at the war's end totalled approximately 165,000,000,000 gold marks (US\$10,000,000,000).

His analysis has been reduced seriously during the past two years because Germans cannot exist on the profits they are earning from industry at the present.

"They have to sell substance and the most drastic example to prove permanent loss of substance is the black market, where all kinds of goods are sold in order to obtain food."

He said Germany must realise she could only contract debts to a certain extent and the consequences of over-indebtedness were evident after the first world war.

Essential Conditions
One of the essential conditions of restoration of economy was currency reform, Gleitze said. He favoured the issue of new banknotes, but emphasised: "The amounts of notes to be issued must correspond to the real values left in Germany."

Another essential for restoring German economy was the establishment of the foreign trade market.

"It is no secret the banks in the Soviet zone are in a very liquid position" largely because all private accounts had been blocked, he said. Gleitze asserted that in the event of currency reform, "a solution must be found whereby the people of the Eastern zone, whose bank accounts are blocked, will not be treated worse than the lucky people in the West whose accounts are not frozen."

Gleitze is also Vice-President of the Finance Department, Dean of the Berlin University Economic Department, editor of the official financial monthly in the Soviet zone and editor of the official statistical monthly.
—United Press.

BIG LEAGUE BASEBALL

Chicago, July 8.
Ewell Blackwell, the hottest pitcher in baseball, and the home bats of New York's Johnny Mize and Walker Cooper, give the National League an even chance of upsetting the American Leaguers on Tuesday in the 14th All-Star game at Wrigley Field.

With Cleveland's Bobby Feller definitely off the squad because of an aching back, the National is able to match the American's mound staff.

For the first time since the series started in 1933, the Nationals have a decided edge in home run production. Memories of the 12 to 0 rout in Fenway Park last July still rankle the National League authorities who try to generate optimism despite the Americans' 9-4 edge in their games.

Manager Eddie Dyer has been given a "fight talk" by President Ford Frick whose advice can be summed up in "bear down."

Dyer and Joe Cronin, manager of the American Leaguers, will not make their pitching selections known until Monday, but the word has been buzzing around that Blackwell will get the nod for the Nationals and Hal Newhouse of Detroit for the Americans, who will be the visiting club. Blackwell reeled off his 12th straight win of the season on July 4 and would seem to be a National against the Americans who see little of the sidearm style he represents.
—Associated Press.

Pest Stamped Out

London, July 7.
The Government's drastic measures to stamp out the Colorado beetle from the domestic potato crop have proved fully effective, Mr Tom Williams, Minister of Agriculture, announced in the House of Commons today.

The situation was under control, he said, and added that it was believed that the infestation cases originated from Europe.
—Reuter.

Printed and published by Frederick Percy Franklin for and on behalf of South China Morning Post Limited, 1-3 Wyndham Street, City of Victoria, in the Colony of Hongkong.

More Time For Debate On India Independence

BY FRASER WIGHTON
(Reuter's Political Correspondent)
London, July 7.
The British Government is now confident that Parliament will have passed the India Independence Bill for the creation of the dominions of India and Pakistan into law by July 20, I was authoritatively informed tonight.
August 15 will remain the date for the transfer of power.
Government officials now know that the House of Lords will make the necessary arrangements to fit in with the projected time schedule. Talks have been going on between the Government and Opposition leaders on this point, with satisfactory results.

The result of the discussions is that several stages of the bill will be taken formally, without expenditure of time.

One effect of speeding the arrangements is that the Government now intends to allow the whole of Thursday for the second reading and debate on the Independence Bill. Earlier, when the second reading was not expected until the latter part of the month, it had been proposed to rush the second reading, the committee stage, the report stage and third reading through in one night. This is not now necessary.

The visit of General Lord Ismay, the Viceroy's Chief-of-Staff, who arrived in England tonight, is linked with the second reading of the Independence Bill to the extent that Lord Ismay will bring the Government's information upon India up to the minute in all details so that its spokesmen are in a position to answer any eleven-hour queries on the power transfer.

In a general sense, General Ismay's visit, like his previous trip to England two months ago, is one of a series of contacts between the Viceroy and the Cabinet, which was predicted when Lord Mountbatten first went to India.

Opposition Speakers
It is unlikely that the Government will add to its list of ministerial speakers for the debate. The Prime Minister, Mr Clement Attlee, will open the discussion, and the Under-Secretary of State for India, Mr Arthur Henderson, will make a winding-up speech.

The Conservative opposition has still to make its arrangements for its leading speakers. With Mr Winston Churchill unlikely to be present, four names have been mentioned: Anthony Eden, former Foreign Secretary, Sir John Anderson, former Governor of Bengal, Mr Richard A. Butler, former Under-Secretary for India, and Mr Harold Macmillan. Mr Butler is normally the chief India spokesman of the party, but he has been in America for some months and only returned today.

The opposition may wish to open with some speaker who has been continuously in touch with the Parliamentary and India situation in the past two months.

A large number of members of all parties have expressed their desire to take part in the debate.
—Reuter.

OUTWARD MAILS

Unless otherwise stated, Registered Articles and Parcel Posts close 30 minutes earlier than the time stated below.

Tuesday, July 8
Canton (Tram) 1.30 p.m.
Shanghai (Sea) 2 p.m.
Bangkok (Sea) 2 p.m.
Swatow (Sea) 3 p.m.
Kobe, Yokohama, Tientsin & Shiki (Sea) 4 p.m.
Canton (Sea) 5 p.m.
Shanghai only (Air) 10 a.m.
Canton, Kowloon, and Chungking (Air) 11 a.m.

Japan (ordinary letters & cards only) (Air) 3.30 p.m.
Singapore, Colombo, Surabaya, Sydney and Auckland (Air) 2.30 p.m.
Wednesday, July 9
Manila P.I. Honolulu, USA & Canada (Air) 10 a.m.
Manila P.I. and Bangkok (Sea) 10 a.m.
Shanghai (Tram) 1.30 p.m.
Formosa via Takao (Sea) 10 a.m.
Swatow and Amoy (Air) 10 a.m.
Straits, Rangoon and Calcutta (Sea) Noon.
Canton (Tram) 1.30 p.m.
Ordinary letters & cards only for Japan (Sea) 3 p.m.
Bangkok, Saigon, Calcutta, Karachi, Baku, Cairo, Johannesburg, Bombay, Madras, and London (Air) 3.30 p.m.
Manila P.I. (Air) 3.30 p.m.
Canton, Kowloon, and Chungking, Amoy, Shanghai, Nanking, Hankow, Tientsin and Peking (Air) 3.30 p.m.
U.S.A., Central and South America via San Francisco (Sea) 3 p.m.
Macao, Tientsin, Shiki & Kowloon (Sea) 4 p.m.
Canton (Tram) 5 p.m.

Thursday, July 10
Saigon (Sea) 10 a.m.
Australia and New Zealand via Melbourne (Sea) 10 a.m.
Straits, Rangoon, Surabaya & Macassar (Sea) Noon.

TODAY'S BROADCAST

22W Hongkong broadcasting on a frequency of 845 kilocycles from 12.30 to 2 p.m., and 630 to 11 p.m., and also on 5.95 megacycles in the 21 metre band from 12.30 to 1.15, 7.30 to 8.30 and 9.15 to 11 p.m.
22W B.C. Transcription Service: The Black Abbott, 8.10 Studio; Piano, Recital by Michael Roder, (by courtesy of the Paragon, Grillon, and Company, Ltd.) London Relay: World News, 9.10 London Relay: Home News from Britain, 9.35 Times of London, 10.00 Long Ago, 10.45 A Play—The Trial, 11.00 Young, written & Produced for Broadcasting by Desmond Scott, A.H.C. Stage Club Production: "Atomic Energy" Part 2, "The Military Use" 9.45. Broadcast: "Le Cid" Ballet, New Symphony Orchestra, 10.00 London Relay: News, 10.10 Weather Report, 10.11 Relay of the Dance Orchestra from the Ambassador Ballroom, 11.00 Close down.

NOTICE

Advertisers are requested to note that no advertisements (with the exception of urgent notices) will be accepted between the hours of 12.30 noon Saturdays, and 9 a.m. on Mondays.

From and including Mondays to Fridays, copy for the following day must be submitted not later than 4 p.m.

S. C. M. POST, H.K. TELEGRAPH.

SHOWING TO-DAY MAJESTIC

At 2.30, 5.20, 7.20 & 9.20 p.m.
SHE'LL GAMBLE ON ANYTHING BUT HER HEART!
GEORGE BRENT PRISCILLA LANE
in "SILVER QUEEN"
RELEASED THRU UNITED ARTISTS
NEXT CHANGE: "THE GREEN YEARS"



Returning!—that you may see it again and again!

Rebecca
LAURENCE OLIVIER
JUAN FONTAINE
with GREGG KERR, JOHN EDGAR, and others in a magnificent picture

NEXT CHANGE AT THE Theatre

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